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Opening Statement of Senator Patty Murray, Chairman THUD Appropriations Subcommittee Hearing on DOT FY 2013 Budget Request

The subcommittee will come to order. Today we will hear testimony from Transportation Secretary Ray LaHood on the President's budget request for fiscal year 2013.

Mr. Secretary, welcome back to the Subcommittee. Thank you for being here.

And congratulations on your son's safe return. The past two months must have been a difficult time to say the least. I can only imagine what a relief it must be for you and your family.

As we begin our work on next year's budget, there are encouraging signs that our economy is moving in the right direction.

Although we aren't moving quickly enough for families that continue to struggle—and we certainly have a long way to go. The private sector has been adding jobs for almost two years. Businesses are growing, confidence is up, and we seem to have stepped back from the precipice.

This is encouraging. But to keep growing these improvements over time, we need a transportation system that supports job creation, fosters economic growth, is sustainable, and most importantly, is safe to use.

Unfortunately, today we have a transportation system that is riddled with bottlenecks, slowing down the movement of freight and leading to higher costs for businesses.

We have a system that makes airline passengers suffer through flight delays, and keeps commuters stuck in traffic jams—instead of allowing them to get to work or get home to their families.

Independent assessments show us that the infrastructure of our country is falling behind and holding us back.

All of these reports reach the same conclusion—that the need to invest in our transportation infrastructure is huge.

Many of us have seen the Report Card for America's Infrastructure put together by the American Society of Civil Engineers.

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Their overall grade for our nation's infrastructure is a "D", and their grade for roads is even more depressing—a "D minus." Our nation's rail network earned a paltry "C minus," and transit only rates a "D."

Last year, the World Economic Forum ranked U.S. infrastructure 23^{rd} in the world. Ten years ago we were 6^{th} . And without aggressive investment, I am very concerned about where we will be 10 years from now.

The U.S. Chamber of Commerce found that, given expected growth in population and trade, we need to invest an additional \$50 billion a year in our highway and public transportation system just to maintain current performance. And we would need to double that number each year to improve performance.

Taken together, these assessments are alarming. And sadly, the condition of our nation's infrastructure comes at a significant cost. On average, Americans now spend an extra \$400 per year on car maintenance as a result of driving on poor roads—money every family could be putting to better use. We spend an extra 4 billion hours a year sitting in our cars due to traffic congestion, burning through almost an extra 3 billion gallons of fuel in the process. We have the world's worst air traffic congestion, with delays that average twice as long as those in Europe. And freight delays have gotten so bad that bottlenecks cost the economy an estimated \$200 billion a year.

And let's be clear—holding back on investing in transportation infrastructure doesn't actually save us money. It simply turns a budget deficit into an infrastructure deficit.

In fact, kicking the can down the road will end up costing our nation even more over the long term and forces the next generation to pay to clean up our mess. So we can invest now and lay down a strong foundation for long-term growth, or we can let this system continue to crumble and pay even more later. I think the choice is clear.

The Department's Budget Proposal and SAFETEA-LU

To address this problem, the President's budget request for next year proposes to reauthorize the surface transportation programs at a funding level of \$476 billion over the next six years. This is a substantial increase over current funding levels.

The reauthorization proposal is very similar to the one the President included in his budget request last year. And like last year, I applaud the Administration's effort to promote investment in our nation's infrastructure.

I am glad that we are seeing progress on a reauthorization bill, but I am still very concerned about how we are going to move forward on financing transportation programs this coming year. We have significant challenges ahead of us.

The Appropriations Committee is now working under tight caps on discretionary spending set by the Budget Control Act. And unfortunately, the budget request does not offer a realistic picture of how to fund transportation under those caps.

The President's budget again seeks to reclassify as mandatory spending at least \$4 billion in programs that have long been funded by this subcommittee. This request leaves a big hole that this subcommittee will have to fill.

In addition, there is a long way to go before a reauthorization bill is signed into law. It is not yet clear what kind of package will be considered on the House floor.

This leaves us with a lot of questions for how we are going to sustain the Highway Trust Fund and fund transportation programs next year.

Recent projections from both CBO and the Administration show that the Highway Trust Fund may not stay solvent throughout fiscal year 2013. And even though the Senate reauthorization bill would address this problem, no legislation is effective until it is enacted into law.

In addition, until the reauthorization bill is completed – or until we see a full-year extension of the transportation programs –we do not know what levels of contract authority there will be for next year.

For the past three years, I've been put in the position of writing appropriations acts without knowing the full-year levels of contract authority.

I am prepared to do that work again, but this is not how our programs should be funded.

We all know that state departments of transportation need a stable source of funding in order to build transportation infrastructure. They need predictability. They deserve better than a few months of funding at a time. And more than that, commuters stuck in traffic and businesses trying to get their goods to market deserve a better transportation system.

Accomplishments

Despite these concerns, I would like to take a minute to acknowledge some areas where the Department of Transportation has made progress.

Not long ago, the ERAM program at the Federal Aviation Administration fell years behind schedule, putting the agency's NextGen program at risk.

For too long, the agency was unwilling to work with its own air traffic controllers on getting ERAM back on track. But the Department has come a long way. The program is under new management, stakeholders have a seat at the table, and it is achieving new milestones.

In addition, the recent re-organization at the FAA has placed a stronger emphasis on the management of its technology programs. This was the right move to make.

In the area of highway safety, the Department has led a very public campaign to address distracted driving. This past week, you announced a partnership with Consumer Reports aimed at getting young people to put down their phones while they are behind the wheel, an effort that will save lives.

The Department has also raised the profile of rail transportation. It is a reliable, safe and environmentally sound means of passenger and freight transportation.

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Building more roads and wider roads is not enough. We need to continue to make targeted rail investments to improve mobility in and between American's congested cities.

Mr. Secretary, these are some of the areas where your leadership has been making a difference.

Closing

During this hearing, I look forward to discussing these issues and addressing some other questions that I have.

But before turning this over to Senator Collins, I want to thank you for your efforts as Secretary of Transportation.

You provided strong leadership for the Department, and you have always worked on a bipartisan basis. Which is something we don't see often enough today.

I will now turn it over to my partner on the subcommittee, Senator Collins.

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